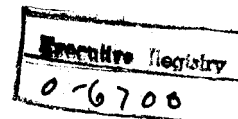


~~SECRET~~



Ref 0-6569

30 SEP 1949

Mr. W. Park Armstrong, Jr.  
Special Assistant to the Secretary of State  
for Research and Intelligence  
Department of State  
Washington, D. C.

Dear Mr. Armstrong:

With further reference to your request of  
23 September for evaluation of Peiping Telegram  
No. 1578, and supplementing our IM-228 (Preliminary)  
forwarded to you on 28 September, I am attaching  
hereto our IM-228 which includes contributions of  
the Departments of Army, Navy and Air Force.

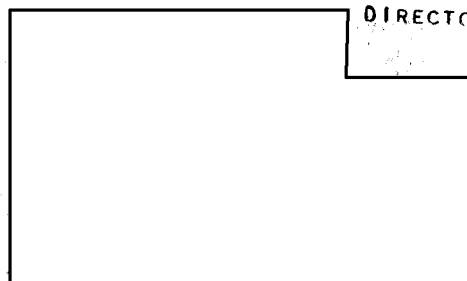
Sincerely,

(IM-228  
Encl - w/original (Cys 3,4,5,6,7

~~signed~~

Dispatched by  
hand 9/30/49

R. H. HILLENKOETTER  
REAR ADMIRAL, USN  
DIRECTOR OF CENTRAL INTELLIGENCE



DOCUMENT NO. \_\_\_\_\_  
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NEXT REVIEW DATE: \_\_\_\_\_  
AUTH: HR 70/2  
DATE: 23/4/8 REVIEWER:

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State Department review completed

*State*

Executive Registry

0-6569

28 SEP 1949

Mr. W. Park Armstrong, Jr.  
Special Assistant to the Secretary of State  
for Research and Intelligence  
Department of State  
Washington, D. C.

Dear Mr. Armstrong:

In reply to your letter of 23 September requesting evaluation of Telegram No. 1578 from Peiping, your copy of which is returned herewith, I am attaching our DM-226 (Preliminary) which represents this Agency's views on the subject.

Sincerely,

Signed

R. H. HILLENKOETTER  
REAR ADMIRAL, USN  
DIRECTOR OF CENTRAL INTELLIGENCE

Enclosures (1)-Telegram 1578  
(2)-DM-226 (Preliminary)

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**SECRET**

27 September 1949

INTELLIGENCE MEMORANDUM NO. 228 (Preliminary)

SUBJECT: Evaluation of Report on Soviet Troop Movements in Manchuria

REFERENCE: Peiping Telegram (secret) No. 1578 (20 Sept. 1949)

1. Conclusion.

a. ORE is of the opinion that the information contained in paragraphs two to four of Peiping Telegram No. 1578 (20 Sept.) is based wholly or largely on rumors. This report is the latest of several, received intermittently during the past two years, dealing with alleged Soviet military activity in Manchuria, none of which has been confirmed.

b. These rumors may have some basis in fact, however, inasmuch as there are indications of an increase in the tempo of Soviet activity and in the numbers of Soviet personnel in Manchuria and in North China. It is quite probable that the USSR is taking advantage of the present community of Sino-Soviet interest to solidify its position in Manchuria.

2. Evaluation of Paras. 2 and 3:

This report is so vague that it cannot be evaluated with confidence. The qualifications of the observer are obscure and his information appears to be based on hearsay. The report, in this respect, is similar to a number of earlier reports which, as the Consul-General remarks, "have been unsubstantiated."

Past experience with Chinese intelligence reports has indicated that Chinese observers tend to be rather careless in their use of numbers, and are given to exaggeration. Also, regular troops may be confused with Soviet railway guards, which are known to be present in Manchuria.

The phrase "rail traffic Harbin-Manchuria" should probably be read either "Harbin-Manchouli," or (because Antung is mentioned) "Harbin-Korea," but neither of these readings illuminates the content sufficiently to permit an estimate of its significance. The "contemplated establishment of three military lines" would be a matter of top-secret military planning, which would certainly not be available to Chinese sources.

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ONE has no information with which to confirm the report of movements of tanks and troops between Harbin and Changchun; such movements are believed possible.

3. Evaluation of Para. 4:

a. "Explanation" I, i.e., that the USSR believes the US to be preparing for war in the Pacific:

ONE has no information to indicate that the USSR genuinely believes that the US is preparing to attack the USSR militarily in the near future.

b. "Explanation" III, i.e., that the USSR itself plans to launch a war in the near future:

ONE has no information to indicate that even with its "new" atomic capability the Soviet Union intends to resort to military aggression in the near future.

g. "Explanation" II, i.e., that the USSR is employing the threat of an imminent East-West (Communist vs. non-Communist) war as a means of gaining Chinese Communist acquiescence in the extension and consolidation of Soviet control in China, especially in Manchuria:

It is believed that the USSR occasionally, perhaps systematically, falsifies its estimate of the situation, in order to gain Chinese Communist acquiescence in the extension and consolidation of Soviet control in China and over the CCP. However, it is doubtful that the CCP leadership is convinced of the imminence of an armed conflict between the Communist and non-Communist nations, or that the USSR has found it necessary to employ the threat of imminent war in order to gain Chinese Communist acquiescence in the Soviet program in and toward China. It appears more likely that the USSR and the CCP leadership are agreed upon the necessity for increasing the defensive and offensive capabilities of the Far Eastern Communist bloc, in preparation for an eventual, but not immediate, military conflict with the West.

4. General Appraisal of Recent Reports Relating to Increased Soviet Activity in Manchuria:

In addition to the above report, of 100-150,000 Soviet troops present or scheduled to arrive in Manchuria, and of Soviet troop and tank movements in Manchuria, there have been recent reports of the arrival in Harbin of Soviet Marshal Rodion Malinovsky, together with a staff of 150 officers; and of the construction of barracks at Mukden, adequate to house 30,000 men, which are possibly for the use of Soviet military or railway personnel. These reports have not been confirmed.

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There is a general trend toward tightened Sino-Soviet control, or Soviet control with Chinese acquiescence, over Manchuria, particularly in the strategic Port Arthur Naval Base area. At the same time, the USSR is probably seeking to strengthen the lateral integration of Manchuria and North Korea.

It is of major importance to the USSR, politically and economically, to improve the rail system between Manchuria and North China. Base-  
much as railway control is used to spearhead Soviet penetration, the recent influx of Soviet railway personnel into Manchuria and North China indicates an increasingly successful extension of Soviet control. Soviet railway personnel have quasi-military status, and at times have included regular army and secret police officials.

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